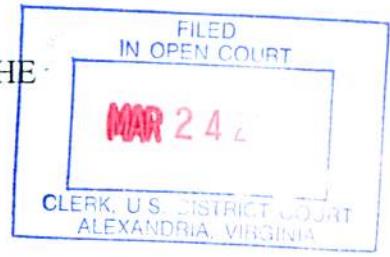


IN THE UNITED STATES DISTRICT COURT FOR THE
EASTERN DISTRICT OF VIRGINIA

Alexandria Division



UNITED STATES OF AMERICA) CRIMINAL NO. 1:11-cr-158
)
 v.) Count 1: 26 U.S.C. § 7212(a)
) (Corrupt Endeavor to Impede the
 RICHARD JAENSCH) IRS)
)
) Count 2: 18 USC § 287 (False
 Defendant.) Claim for Refund)
)
) Counts 3 – 6: 26 U.S.C. § 7203
) (Failure to File)
)

INDICTMENT

March 2011 Term – At Alexandria

THE GRAND JURY CHARGES THAT:

At times material to this Indictment:

Introductory Allegations

1. Defendant RICHARD JAENSCH ("R. JAENSCH") lived in Annandale, Virginia and was married to Janet Jaesnch ("J. Jaensch").
2. R. JAENSCH worked as a self-employed plumber.
3. J. Jaensch was a federal employee.
4. The JoY Foundation was an entity based in Florida that promoted anti-tax positions, including the use of abusive unincorporated business trust organizations. On October 18, 2002, the United States District Court for the Central District of Illinois granted a permanent injunction against the JoY Foundation prohibiting them from organizing or selling abusive tax shelters and

barring them from instructing or advising taxpayers to not file tax returns, not pay taxes, and/or understate their federal tax liabilities in connection with the marketing of trusts or other programs.

5. R. JAENSCH failed to file U.S. Individual Income Tax Returns, Forms 1040, with the IRS for tax years 2001, 2002, 2003, 2004, 2005, 2006 and 2007 despite the fact that he was required to do so by law.

COUNT 1
(Corrupt Endeavor to Impede the IRS)

Paragraphs 1 through 5 above are incorporated into Count 1 as if fully set forth herein.

1. Beginning in or about January 2002, the precise date being unknown to the grand jury, and continuing thereafter up to and including at least on or about October 22, 2009, in the Eastern District of Virginia and elsewhere, the defendant RICHARD JAENSCH did corruptly endeavor to obstruct and impede the due administration of the internal revenue laws by committing acts, including but not limited to the following:
 - a. On or about January 30, 2002, R. JAENSCH paid \$680 to the JoY Foundation;
 - b. Beginning in or about February 2002, and continuing each year through in or about 2009, R. JAENSCH caused J. Jaensch to present a letter to her payroll department directing J. Jaensch's employer to stop withholding federal income taxes from her salary;
 - c. On or about February 15, 2002, R. JAENSCH paid \$3,505 to the JoY Foundation;
 - d. On or about February 15, 2002, R. JAENSCH signed and caused J. Jaensch to sign JoY Foundation documents purchasing an Unincorporated Business Trust Organization (UBTO);
 - e. On or about February 27, 2002, R. JAENSCH sent and caused J. Jeansch to send documents to the IRS claiming that they were not persons required to file federal income tax returns;

- f. On or about May 6, 2003, R. JAENSCH caused D.R., a neighbor of the Jaenschs, to sign an “Appointment of Protector” for Long View Holdings;
- g. On or about July 29, 2003, R. JAENSCH filed and caused J. Jaensch to file a Warranty Deed in Fairfax County, Virginia, reflecting the transfer of J. Jaensch’s home to Long View Holdings and Fortress Management, Inc;
- h. On or about February 7, 2004, R. JAENSCH provided false information to the IRS stating that he was “not involved in any transactions with the JoY Foundation”;
- i. On or about June 11, 2004, R. JAENSCH filed and caused J. Jaensch to file in Fairfax County, Virginia, documents titled “Notice of Competency and Incompetence with Firing and Demand to Cease and Desist”;
- j. On or about June 11, 2004, R. JAENSCH recorded and caused J. Jaensch to record in Fairfax County, Virginia, a “Declaration of Independence by Public Notice” claiming that J. Jaensch was “not a party to the Constitution of the United States of America”;
- k. On or about June 11, 2004, R. JAENSCH filed and caused J. Jaensch to file in Fairfax County, Virginia, “Power of Attorney” notices;
- l. On or about June 11, 2004, R. JAENSCH filed in Fairfax County, Virginia, “Notice of Surety Act and Bond” notices;
- m. On or about May 25, 2005, R. JAENSCH recorded in Fairfax County, Virginia, an “Affidavit of Corporate Denial” directed at the IRS and the Social Security Administration (“SSA”);

- n. On or about July 20, 2005, R. JAENSCH caused J. Jaensch to send correspondence to the IRS claiming the IRS cannot instruct her employer to withhold taxes from her paycheck;
- o. On or about August 24, 2005, R. JAENSCH recorded in Fairfax County, Virginia, a “Notice & Praeclipe, Power of Attorney Cancellation” document directed at the SSA;
- p. On or about August 24, 2005, R. JAENSCH recorded in Fairfax County, Virginia, an “Affidavit of Corporate Denial” directed at the IRS and SSA;
- q. On or about October 13, 2005, R. JAENSCH caused J. Jaensch to file in Fairfax County, Virginia, a “Verified Affidavit in the Truth” with a notice to the IRS and Navy Federal Credit Union (NFCU) pertaining to the IRS levy on J. Jaensch’s NFCU bank accounts;
- r. On or about November 1, 2005, R. JAENSCH caused J. Jaensch to send certified letters to the Defense Finance and Accounting Service (“DFAS”) and IRS advising that she is not a taxpayer;
- s. On or about December 7, 2005, R. JAENSCH filed documents regarding his IRS tax lien in Fairfax County, Virginia, claiming that the current procedures for recording tax liens could violate an individual’s civil rights;
- t. On or about July 13, 2007, R. JAENSCH filed and caused J. Jaensch to file documents in the United States District Court for the Eastern District of Virginia, titled “Notice of Trespass”;
- u. On or about January 16, 2009, R. JAENSCH filed an IRS Form 4419, Application for Filing Information Returns Electronically (FIRE),

requesting authorization to electronically file IRS Forms 1098, 1099, 5498 and W-2G;

- v. On or about April 15, 2009, R. JAENSCH filed a false and fraudulent 2008 Individual Income Tax Return, Form 1040, claiming a \$774,052 refund;
- w. On or about May 21, 2009, R. JAENSCH made a false statement to an IRS Revenue Agent claiming that he did not have any income during the 2003 tax year;
- x. On or about August 17, 2009, R. JAENSCH filed a false and fraudulent 2008 Individual Income Tax Return, Form 1040 claiming gross income of \$113; and
- y. On or about October 22, 2009, R. JAENSCH falsely told the IRS that he was not aware that he had taxable income that met the threshold for a filing requirement for 2004, 2005, 2006 and 2007.

All in violation of Title 26, United States Code, Section 7212(a).

COUNT 2
(False Claim for Refund)

Paragraphs 1 and 2 above are incorporated into Count 2 of the Indictment as if fully set forth herein.

1. On or about April 15, 2009, in the Eastern District of Virginia, RICHARD JAENSCH, a resident of Annandale, Virginia, made and presented to the Internal Revenue Service, an agency of the Department of the Treasury, a claim against the United States for payment, which he knew to be false, fictitious, and fraudulent by preparing and causing to be prepared, and filing and causing to be filed by electronic means, what purported to be a form captioned as a 2008 Federal Income Tax Return, Form 1040, wherein he claimed a tax refund in the amount of \$774,052, which he knew to be false and fraudulent.

All in violation of Title 18, United States Code, Section 287.

COUNT 3
(Failure to File)

Paragraphs 1 through 4 above are incorporated into Count 3 of the Indictment as if fully set forth herein.

1. During the calendar year 2004, Defendant RICHARD JAENSCH, a resident of Annandale, Virginia, in the Eastern District of Virginia, had and received gross income in excess of \$3,100, and he and his spouse had and received gross income of at least \$15,900. By reason of that gross income, RICHARD JAENSCH was required by law, following the close of the calendar year 2004 and on or before April 15, 2005, to make an income tax return to the Internal Revenue Service Center, at Fresno, California, or to a person assigned to receive returns at the local office of the Internal Revenue Service at Bailey's Crossroads, Virginia, or to another Internal Revenue Service office permitted by the Commissioner of Internal Revenue, stating specifically the items of his gross income and any deductions and credits to which he was entitled. Well knowing and believing all of the foregoing, Defendant RICHARD JAENSCH did willfully fail to timely make an income tax return.

All in violation of Title 26, United States Code, Section 7203.

COUNT 4
(Failure to File)

Paragraphs 1 through 4 above are incorporated into Count 4 of the Indictment as if fully set forth herein.

1. During the calendar year 2005, Defendant RICHARD JAENSCH, a resident of Annandale, Virginia, in the Eastern District of Virginia, had and received income in excess of \$3,200, and he and his spouse had and received gross income in excess of \$16,400. By reason of that gross income, RICHARD JAENSCH was required by law, following the close of the calendar year 2005 and on or before April 17, 2006, to make an income tax return to the Internal Revenue Service Center, at Atlanta, Georgia, or to a person assigned to receive returns at the local office of the Internal Revenue Service at Bailey's Crossroads, Virginia, or to another Internal Revenue Service office permitted by the Commissioner of Internal Revenue, stating specifically the items of his gross income and any deductions and credits to which he was entitled. Well knowing and believing all of the foregoing, Defendant RICHARD JAENSCH did willfully fail to timely make an income tax return.

All in violation of Title 26, United States Code, Section 7203.

COUNT 5
(Failure to File)

Paragraphs 1 through 4 above are incorporated into Count 5 of the Indictment as if fully set forth herein.

1. During the calendar year 2006, Defendant RICHARD JAENSCH, a resident of Annandale, Virginia, in the Eastern District of Virginia, had and received income in excess of \$3,300, and he and his spouse had and received gross income in excess of \$16,900. By reason of that gross income, RICHARD JAENSCH was required by law, following the close of the calendar year 2006 and on or before April 16, 2007, to make an income tax return to the Internal Revenue Service Center, at Atlanta, Georgia, or to a person assigned to receive returns at the local office of the Internal Revenue Service at Bailey's Crossroads, Virginia, or to another Internal Revenue Service office permitted by the Commissioner of Internal Revenue, stating specifically the items of his gross income and any deductions and credits to which he was entitled. Well knowing and believing all of the foregoing, Defendant RICHARD JAENSCH did willfully fail to timely make an income tax return.

All in violation of Title 26, United States Code, Section 7203.

COUNT 6
(Failure to File)

Paragraphs 1 through 4 above are incorporated into Count 6 of the Indictment as if fully set forth herein.

1. During the calendar year 2007, Defendant RICHARD JAENSCH, a resident of Annandale, Virginia, in the Eastern District of Virginia, had and received gross income in excess of \$3,400, and he and his spouse had and received gross income in excess of \$17,500. By reason of such gross income, he was required by law, following the close of the calendar year 2007 and on or before April 15, 2008, to make an income tax return to the Internal Revenue Service Center, at Atlanta, Georgia, or to a person assigned to receive returns at the local office of the Internal Revenue Service at Bailey's Crossroads, Virginia, or to another Internal Revenue Service office permitted by the Commissioner of Internal Revenue, stating specifically the items of his gross income and any deductions and credits to which he was entitled. Well knowing and believing all of the foregoing, Defendant RICHARD JAENSCH did willfully fail to timely make an income tax return.

All in violation of Title 26, United States Code, Section 7203.

A TRUE BILL:

Pursuant to the E-Government Act,
the original of this page has been filed
under seal in the Clerk's Office.

FOREPERSON

Neil H. MacBride
United States Attorney

By: Caryn Finley
Caryn Finley
Special Assistant United States Attorney

By: Gene Rossi 3/23/2011
Gene Rossi
Assistant United States Attorney